

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

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For Immediate Release

NEWS RELEASE SUMMARY - May 12, 2008

United States Attorney Karen P. Hewitt announced that Clementine Estrada pled guilty in federal court in San Diego to a conspiracy charge related to two fraudulent high-yield investment programs she managed and operated in Escondido, California: the Crystal Rose and Sterling Rose Capitalization Programs. She entered her guilty plea pursuant to a plea agreement in U.S. District Court on Friday, May 9, 2008, before U.S. District Court Judge Barry Ted Moskowitz.

In the plea agreement, Estrada admitted that between December 2001 and August 2004, she conspired to defraud 68 investors out of nearly \$2,000,000 through these fraudulent investment programs. Estrada promised investors high rates of returns, up to 90% per month in some cases, while guaranteeing the investors' principal. However, her promises and guarantees to the investors were false. She admitted in the plea agreement that she made false representations to the investors to induce them to participate in her investment programs, that she then misappropriated and dissipated the investors' money, and that she provided false and misleading reports to the investors about bogus fund recovery efforts.

Estrada further admitted that she attempted to obstruct justice during the Government's investigation of her activities and agreed that her criminal conduct violated the terms of a permanent injunction previously entered against her in the Southern District of California following an action brought by the Securities and Exchange Commission.

A sentencing hearing is scheduled before Judge Moskowitz on August 8, 2008, at 9:30 a.m.

DEFENDANT

Case number: 07CR1465-BTM

Clementine A. Estrada

SUMMARY OF CHARGES

Title 18, United States Code, Section 371 - Conspiracy

AGENCY

Federal Bureau of Investigation